

The [Associated Press](#) reported on Chairman Towns' letter to Secretary Gates questioning DOD's decision to award KBR a lucrative contract for support services in Iraq

[From the AP](#) :

The chairman of the House oversight committee has told Defense Secretary Robert Gates he's upset that defense giant KBR Inc. was awarded a contract potentially worth \$2.8 billion for work in Iraq.

The contract was awarded Friday, a day after the company told shareholders it lost about \$25 million in award fees because of flawed electrical work in Iraq.

[Government Executive](#) reported on the contract award:

Days after the Army announced that KBR Inc. would not receive \$20 million in award fee bonuses because of poor performance in Iraq, the Defense Department contractor has won a multimillion-dollar task order to care for U.S troops as they begin the process of exiting the war-torn country.

The Army Sustainment Command and Rock Island Contracting Center in Illinois confirmed this week that KBR had won the first task order for work in Iraq under the new Logistics Civil Augmentation Program IV contract. The contractor will provide logistics support services such as warehousing, vehicle maintenance and air terminal operations, in-theater transportation and postal operations for U.S. troops.

KBR was informed on Feb. 26 of the award, just one day after executives told shareholders about the lost award fees. Work on the task order began on March 1.

[Click here](#) to read the letter from Chairman Towns to Secretary Gates.